

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



January 12, 2018

Mr. Sumeet Singh, Vice President
Pacific Gas and Electric Company
Portfolio Management & Engineering
6111 Bollinger Canyon Road, Room 4590-D
San Ramon, CA 94583

GI-2017-09-PGE-25-01C

SUBJECT: General Order 112-F Gas Inspection of PG&E's Hinkley District

Dear Mr. Singh:

The Safety and Enforcement Division (SED) of the California Public Utilities Commission conducted a General Order 112-F inspection of Pacific Gas & Electric Company's (PG&E) Hinkley District (District) on September 11- September 15, 2017. The inspection included a review of the District's records for the period of 2014 through 2016, as well as a representative field sample of the District's facilities. SED staff also reviewed the District's operator qualification records, which included field observation of randomly selected individuals performing covered tasks.

SED's findings are noted in the Summary of Inspection Findings (Summary) which is enclosed with this letter. The Summary reflects only those particular records and pipeline facilities that SED inspected during the inspection.

Within 30 days of your receipt of this letter, please provide a written response indicating the measures taken by PG&E to address the violations and observations noted in the Summary.

If you have any questions, please contact Nathan Sarina at (415) 703-1555 or by email at Nathan.Sarina@cpuc.ca.gov.

Sincerely,

A handwritten signature in blue ink, reading "Kenneth A. Bruno", is positioned below the word "Sincerely,".

Kenneth Bruno
Program Manager
Gas Safety and Reliability Branch
Safety and Enforcement Division

Enclosure: Summary of Inspection Findings

cc: Mike Bradley, PG&E Compliance
Susie Richmond, PG&E Gas Regulatory Compliance
Kelly Dolcini, SED

SUMMARY OF INSPECTION FINDINGS

I. Probable Violations

A. PG&E's Internal Audit Findings

Prior to the start of the audit, PG&E provided SED its findings from the internal review it conducted of PG&E's Hinkley District. Some of PG&E's internal review findings are violations of PG&E's standards, and are therefore violations of Title 49 Code of Federal Regulations (CFR) §192.13(c) or §192.605(a). SED is aware that PG&E corrected some of its findings prior to SED's inspection. Please provide updates to the items that were still pending by the end of the inspection. Table 1 lists all of the violations from PG&E's internal review.

Table 1: PG&E's Internal Review Hinkley District

Code Section	# of Non-Compliance	Finding Description	Corrective Action	Remediation Date
192.605(a)	4	Calibration Verification for leak survey instruments used for Gas Transmission Station leak survey was not documented per TD-4110P-21 F04/F05.	Hinkley District Maintenance Personnel received a refresher review on completing compliance documentation.	9/7/2017
192.605(a)	2	The requirements for annual service of the automatic sprinkler systems according to procedure TD-4430P-02 Attachment 6 were not performed in 2015 and 2016.	The annual service has been performed by a qualified vendor. Additionally CAP item 113225335 has been created to address this issue.	9/7/2017
192.605(a)	3	Pilot operated regulator runs were not swapped as required by TD-4540P-01 at Barstow C, Harper Lake and Rabbit Springs Stations.	Barstow C, Harper Lake and Rabbit Springs have all had runs swapped. Virtual learning session, Gas9232VL is a mandatory requirement for GPOM supervisors and their direct reports. The intent of the training is to assist employees in understanding documentation requirements.	11/15/2016 9/7/2017 2/7/2017
192.605(a)	1	Supervisor review of Regulator Station Maintenance was not conducted in a timely manner according to procedure TD-4540P-01.	Hinkley District Maintenance Personnel have received a refresher course.	9/7/2017
192.605(a)	3	Filters to Regulator/Monitor Control valves were not replaced as required by TD-4545P-10 at stations Pisgah, PLS 3A and Kern Daggett.		9/7/2017

192.605(a)		Procedure TD-4545-01 requires under recordkeeping that a field which is not applicable be indicated as such. Hinkley District left fields blank until 7/11/2017	The procedure owner was notified in May 2016 of the inability to modify the forms for data entry that is non-applicable. CAP Item 113170002 was created to evaluate the need for this requirement. Additionally a data cleanse project has been implemented system wide.	9/7/2017
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II. Areas of Concern/ Observations/ Recommendations

During field inspections, SED observed the following:

1. At L-300A MP 108.39 and L-300B MP 147.92 exposed pipe was observed. Please provide PG&E's plan of action for those locations.
2. At L-314 MP 22.21, significant erosion has been observed behind and around the PG&E constructed retaining wall with the washout area approximately 18 feet from the pipeline. Please provide PG&E's plan of action for this location.